Ameren Services

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07-0111



OFFICIAL FILE ILLINOIS COMMERCE COMMISSION

February 28, 2007

Ms. Elizabeth A. Rolando, Chief Clerk Illinois Commerce Commission 527 East Capitol Avenue Springfield, IL 62701

Central Illinois Light Company d/b/a AmerenCILCO RE:

Dear Ms. Rolando:



Pursuant to Rider TAR, the Company is hereby filing a statement reconciling the Company's actual coal tar cleanup expenses prudently incurred, with the amount recovered for such expenses through Factor TAR in effect during the 2006 calendar year.

The costs recovered under Rider TAR in 2006 were prudently incurred and met the prudence standards defined by the Commission. AmerenCILCO has identified those manufactured gas plant sites that it has, or may have, responsibility to remediate. AmerenCILCO assigned a priority to those sites and is addressing the remediation of the sites one site at a time. AmerenCILCO has consulted with the Illinois Environmental Protection Agency, which approves of AmerenCILCO's approach to the investigation and remediation of the sites. Ameren CILCO follows procedures to secure competitive bids for the work performed at the sites, and monitors all work performed at the sites to ensure that it is done in accordance with appropriate standards. All expenses were incurred for work performed by outside vendors.

Attached is an additional copy of this filing letter, which we ask that you return to us with acknowledgement and date of filing noted thereon.

Sincerely,

William M. Warwick, Managing Supervisor

Rate Engineering & Analysis

William MW and JAM

WMW/cic Attachments

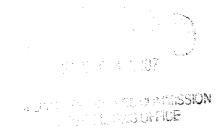
Dianna Hathhorn w/attachment cc:

> Len Mans w/attachment Ed Fitzhenry w/attachment Jackie Voiles w/attachment John Negro w/attachment



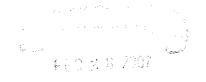
Statement of Reconciliation of Rider TAR Charges to Recovery of Rider TAR Charges through Application of Factor TAR for the Year Ended December 31, 2006

| Line<br><u>No</u> | <u>Description</u>  | <u>Amount</u>  |
|-------------------|---|----------------|
| 1<br>2            | Rider TAR Charges<br>Rider TAR Charges incurred in 2006             | \$423,504.21   |
| 3                 | Less: Insurance Settlement  | \$35,459.40    |
| 4                 | Total Rider TAR Charges, net of Insurance Settlement                | \$388,044.81   |
| 5                 | Total Rider TAR Charges recovered through application of Factor TAR | \$494,194.03   |
| 6                 | Over recovery for the year ended December 31, 2006                  | (\$106,149.22) |
| 7                 | Under recovery of 2005 reconciliation period at December 31, 2006   | \$30.15        |
| 8                 | Over recovery for all years at December 31, 2006                    | (\$106,119.07) |



## Schedule of Revenues Arising Through Application of Factor TAR for the Year Ended December 31, 2006

| Line<br>No. | Month                      | Rate 500 &510 | Rates 550, 600, 950<br>Riders T1 & T3 | Rates 650 & 700<br>Riders T5 & T7 | Total Recoveries From Factor TAR |
|-------------|----------------------------|---------------|---------------------------------------|-----------------------------------|----------------------------------|
| 1.          | January                    | 17,225.04     | 7,236.55                              | 1,626.50                          | \$26,088.09                      |
| 2.          | February                   | 14,205.03     | 1,697.80                              | 1,293.36                          | 17,196.19                        |
| 3.          | March                      | 21,299.59     | 8,952.15                              | 923.41                            | 31,175.15                        |
| 4.          | April                      | 20,987.30     | 12,351.74                             | 2,806.94                          | 36,145.98                        |
| 5.          | May                        | 15,156.37     | 6,193.38                              | 1,975.02                          | 23,324.77                        |
| 6.          | June                       | 22,589.98     | 9,337.49                              | 2,916.20                          | 34,843.67                        |
| 7.          | July                       | 22,670.53     | 9,840.45                              | 4,455.36                          | 36,966.34                        |
| 8.          | August                     | 15,991.56     | 8,122.16                              | 2,514.68                          | 26,628.40                        |
| 9.          | September                  | 14,398.21     | 8,675.05                              | 3,288.88                          | 26,362.14                        |
| 10.         | October                    | 36,154.44     | 19,421.36                             | 23,429.47                         | 79,005.27                        |
| 11.         | November                   | 60,191.46     | 24,875.86                             | 13,079.29                         | 98,146.61                        |
| 12.         | December                   | 47,081.87     | 21,862.49                             | (10,632.94)                       | 58,311.42                        |
| 13.         | Total Rider TAR Recoveries | \$307,951.38  | \$138,566.48                          | \$47,676.17                       | \$494,194.03                     |



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Schedule of Revenues for Cumulative 2005 Under Recovery Arising Through Application of Rider TAR Reconciliation Factor for the Year Ended December 31, 2006

| Line<br>No. | Month                      | Rates<br>90<br>hth Rate 500 &510 Ride |            | Rates 650 & 700<br>Riders T5 & T7 | Total Recoveries<br>from Reconciliation<br>Factor |  |
|-------------|----------------------------|---------------------------------------|------------|-----------------------------------|---|--|
| 1.          | January                    | 0.00                                  | 0.00       | 0.00                              | 0.00  |  |
| 2.          | February                   | 0.00                                  | 0.00       | 0.00                              | 0.00  |  |
| 3.          | March                      | 0.00                                  | 0.00       | 0.00                              | 0.00  |  |
| 4.          | April                      | 1,321.30                              | 554.28     | 113.70                            | 1,989.28  |  |
| 5.          | May                        | 1,121.14                              | 502.60     | 128.78                            | 1,752.52  |  |
| 6.          | June                       | 1,766.67                              | 718.73     | 182.08                            | 2,667.48  |  |
| 7.          | July                       | 1,966.83                              | 860.94     | 245.73                            | 3,073.50  |  |
| 8.          | August                     | 1,390.43                              | 690.19     | 243.02                            | 2,323.64  |  |
| 9.          | September                  | 1,146.63                              | 677.32     | 258.47                            | 2,082.42  |  |
| 10.         | October                    | 1,559.08                              | 832.89     | 284.80                            | 2,676.77  |  |
| 11.         | November                   | 1,714.31                              | 704.76     | 173.24                            | 2,592.31  |  |
| 12.         | December                   | 1,166.77                              | 601.89     | 59.99                             | 1,828.65  |  |
| 13.         | Total Rider TAR Recoveries | \$13,153.16                           | \$6,143.60 | \$1,689.81                        | \$20,986.57                                       |  |



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Schedule of Incremental Costs by Site or Category At December 31, 2006

Peoria:

| Total                                      | 9,683,230.22 (1)                              | 423,504.21 (2) | \$ 10,106,734.43 (3)                                   |
|--|---|----------------|--|
| Carrying<br>Charges                        | \$ 59,868.00 \$                               | -              | \$ 59,868.00 \$  |
| Lincoln                                    | \$ 4,476.87                                   |                | \$ 4,476.87  |
| Site C<br>Pekin                            | \$ 1,821,035.54                               | 57,075.61      | \$ 1,878,111.15  |
| Site B<br>Peoria:<br>Persimmon St.         | \$ 2,251,852.37                               | 967.29         | \$ 2,252,819.66  |
| Site D<br>Springfield:<br>1st & Washington | \$ 1,258,551.58                               | 356,457.94     | \$ 1,615,009.52  |
| Site A<br>Springfield:<br>MacArthur Blvd.  | \$ 4,287,445.86                               | 9,003.37       | \$ 4,296,449.23  |
| Site or Category Name                      | Cumulative Costs Through<br>December 31, 2005 | 2006 Costs     | Cumulative Costs Incurred Through<br>December 31, 2006 |
| Line<br>No.                                | <del>-</del>                                  | 2              | ო  |

(1) Source: Docket No. 06-0206 Filing(2) Source: CILCO Exhibit 1.0(3) Source: Line 1 plus Line 2.

Schedule of Total Recoveries At December 31, 2006

|                                       | £8   | ල  | 4                              | (2)                                     | 9             | 3  |
|---------------------------------------|--|--|--------------------------------|---|---------------|--|
| Total                                 | \$ 9,662,213.50<br>35,459.40                                       | 20,986.57  | 494,194.03                     | \$ 10,212,853.50                        | 10,106,734.43 | \$ 106,119.07  |
| Rates 650, 700<br>Riders T5 & T7      | \$ 650,456.49<br>35,459.40   | \$1,689.81                                       | 47,676.17                      | \$ 735,281.87                           |               |  |
| Rates 550, 600, 950<br>Riders T1 & T3 | 2,335,941.84<br>0.00   | 6,143.60   | 138,566.48                     | 2,480,651.92                            |               |  |
| Rate                                  | <del>69</del>  |  |                                | ₩                                       |               |  |
| Rate 500 & 510                        | \$ 6,675,815.17<br>0.00  | 13,153.16  | 307,951.38                     | \$ 6,996,919.71                         |               |  |
| Description                           | Total Recoveries Through December 31, 2005<br>Insurance Recoveries | Amount Recovered in 2006 for 2005 Under recovery | 2006 Recoveries for 2006 Costs | Cumulative Recoveries December 31, 2006 | Total Costs   | Total Over/(Under) recovery For the Year Ended December 31, 2006 |
| Line<br>No.                           |  |  |                                |   |               |  |

(1) Source: Docket No. 06-0206 Filing
(2) Source: CILCO Exhibit 1.0
(3) Source: CILCO Exhibit 2.0 Page 2
(4) Source: CILCO Exhibit 2.0 Page 1
(5) Source: Sum of Lines 1-4
(6) Source: CILCO Exhibit 3.0
(7) Source: Line 5 minus Line 6 (equals CILCO Exhibit 1.0 Line 8)